and supervise the working of the DLCC, a State Level Consultative Committee (SLCC) has also been set up. In the case of Delhi, the DLCC was constituted vide a notification dated 28th June, 1985 with the Deputy Commissioner of Delhi as Chairman and the Additional District Magistrate as a Member as well as the CESO for Delhi. This Committee has held three meetings on 7th February, 1986, 28th August, 1986 & 3rd April, 1987 but no claim has been reported so far by the CESO. The implementation of the Scheme in Delhi has been reviewed by Government and the attention of Delhi Administration has been drawn for further follow up action. The Insurance Company has also been advised to increase its publicity for better understanding and propagation of the Scheme. The following steps have been taken:—

(i) Distribution of posters, leaflets and booklets.

(ii) Talks on Akashwani.

(iii) Campaign through Press.

(iv) Seminars are also being organised to familiarise field workers responsible for its implementation on different aspects of this Scheme.

(b) Government have borne the entire cost of premium for the insurance cover on All India basis and no separate premium has been paid for Delhi alone.

Freight equalisation in coal and cotton

2294. DR. R. K. PODDAR:

SHRI MOSTAFA BIN QUASEM:

SHRI SUKOMAL SEN:

Will the Minister of PLANNING be pleased to state:

(a) what are the reasons for not introducing freight equalisation in respect of coal and cotton as demanded by eastern States;

(b) what are the reasons for not lifting freight equalisation on iron and steel as demanded by eastern States; and

(c) which of the States are to derive benefits under (a) and (b) above?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI SUKH RAM): (a) The subject of freight equalisation has been studied by a number of Committees, the last one being the National Transport Policy Committee under the Chairmanship of Shri B. D. Pandey. The Committee concluded that the beneficial effect in terms of regional dispersal as a result of freight equalisation was more than off-set by increase in real transport costs and freight equalisation had little effect on generating employment in backward regions. The scheme does not meet the desirable objective of dispersal of economic activity but can lead to non-optimal location of industries. It has therefore been decided not to introduce freight equalisation in respect of any new item like coal, cotton etc.

(b) In the light of the representations received from various State Governments, the Government have reviewed the earlier decision of lifting freight equalisation on iron and steel and decided to refer the matter to the National Development Council.

(c) The freight equalisation policy in respect of a commodity benefits the States located far away from the sources of the commodity. The benefits derived by the individual States in respect of each raw material have not been worked out.

Financial Institution named Blade Companies

2295. SHRI CHANDRIKA PRASAD TRIPATHI: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware of the functioning of the private money lending institutions, known as